

Amendment No. 1 to SB2172

Kelsey
Signature of Sponsor

AMEND Senate Bill No. 2172

House Bill No. 2052*

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 35-6-108, is amended by deleting subdivisions (k)(1)(A)-(C) and substituting instead the following:

(A) The governing instrument reflects an intention that the current beneficiary or beneficiaries are to receive an amount other than a reasonable current return from the trust, or gives the trustee no discretion to distribute any trust principal to the income beneficiary under any circumstances;

(B) The trust is a pooled income fund described in 26 U.S.C. § 642(c)(5) or a charitable-remainder trust; and

(C) Except for testamentary trusts established prior to July 1, 2010, the governing instrument expressly prohibits use of this section by specific reference to the section or expressly states the trustor's intent that net income not be calculated as a unitrust amount.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.